AMENDED IN SENATE MARCH 14, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 108

Introduced by Committee on Budget (Blumenfield (Chair), Alejo, Allen, Brownley, Buchanan, Butler, Cedillo, Chesbro, Dickinson, Feuer, Gordon, Huffman, Mitchell, Monning, and Swanson)

January 10, 2011

An act—relating to the Budget Act of 2011 to amend Item 0890-001-0001 of, and to add Items 0502-012-0022, 2120-011-0117, 2240-011-0101, 2240-011-0929, 2660-013-0042, 3360-011-0382, 3500-011-0100, 3500-013-3065, 3600-011-0321, 3680-011-0516, 3790-011-0263, 3940-011-0225, 3940-011-3147, 3960-011-0014, 3960-011-0018, 3960-011-0065, 3960-012-1003, 5180-011-0131, 8660-011-0470, 8660-011-3141, and 8660-012-0462 to, Section 2.00 of, and to add Section 39.00 to, the Budget Act of 2010 (Chapter 712 of the Statutes of 2010), relating to the support of state government, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately, Budget Bill.

LEGISLATIVE COUNSEL'S DIGEST

AB 108, as amended, Committee on Budget. Budget Act of 2011. 2010: revisions.

The Budget Act of 2010 (Chapter 712 of the Statutes of 2010) made appropriations for the support of state government during the 2010–11 fiscal year.

This bill would amend the Budget Act of 2010 by providing for the transfer of moneys from certain funds and accounts to the General Fund, as specified. This bill would amend the Budget Act of 2010 to authorize the Director of Finance to augment the appropriation for

2 **AB 108**

1

4

5 6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

support of the Secretary of State by up to \$10,000,000 if the Secretary of State demonstrates why the funding is necessary to cover its costs for the statewide special election to be conducted before June 30, 2011, as specified. The bill would amend the Budget Act of 2010 to specify that certain bills of the 2011–12 Regular Session are other bills providing for appropriations related to the Budget Bill, as specified.

This bill would declare that it is to take effect immediately as an urgency statute and as a Budget Bill.

This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2011.

Vote: majority²/₃. Appropriation: no-yes. Fiscal committee: no ves. State-mandated local program: no.

The people of the State of California do enact as follows:

```
SECTION 1. It is the intent of the Legislature to enact statutory
2
   changes relating to the Budget Act of 2011.
3
      SECTION 1. Item 0502-012-0022 is added to Section 2.00 of
```

the Budget Act of 2010, to read:

0502-012-0022—For transfer by the Controller, upon order of the Director of Finance, from the State Emergency Telephone Number Account to the General Fund as a loan.... (28,000,000) Provisions:

1. The Director of Finance may transfer up to \$28,000,000 as a loan to the General Fund, which shall be repaid by June 30, 2013. The Director of Finance shall order the repayment of all or a portion of this loan if he or she determines that either of the following circumstances exists: (a) the fund or account from which the loan was made has a need for the moneys, or (b) there is no longer a need for the moneys in the fund or account that received the loan. This loan shall be repaid with interest calculated at the rate earned by the Pooled Money Investment Account at the time of the transfer.

23 SEC. 2. Item 0890-001-0001 of Section 2.00 of the Budget Act 24 of 2010 is amended to read:

3 AB 108

1	0890-001-0001—For support of Secretary of State	30,158,000
2	Schedule:	
3	(1) 10-Filings and Registrations	000
4	(2) 20-Elections	000
5	(3) 30-Archives	000
6	(4) 50.01-Administration and Technolo-	
7	gy 23,529,0	000
8	(5) 50.02-Distributed Administration and	
9	Technology23,529,0	000
10	(6) Reimbursements7,038,0	000
11	(7) Amount payable from the Secretary of	
12	State's Business Fees Fund (Item 0890-	
13	001-0228)37,720,0	000
14	(8) Amount payable from the Federal Trust	
15	Fund (Item 0890-001-0890)24,361,0	000
16	(9) Amount payable from the Victims of	
17	Corporate Fraud Compensation Fund	
18	(Item 0890-001-3042)1,561,0	000
19	Provisions:	
20	1. The Secretary of State may not expend any spec	cial
21	handling fees authorized by Chapter 999 of the Statu	ites
22	of 1999 which are collected in excess of the cost	of
23	administering those special handling fees unle	ess
24	specifically authorized by the Legislature.	
25	2. Of the amounts appropriated in this item, \$24,361,0	000
26	shall be used for operational costs associated w	rith
27	implementation of the Help America Vote Act of 20	002
28	(42 U.S.C. Sec. 15301 et seq.).	
29	3. Of the funds appropriated in this item, \$5,950,000) is
30	available for preparing, printing, and mailing the st	ate
31	ballot pamphlet pursuant to Article 7 (commence	ing
32	with Section 9080) of Chapter 1 of Division 9 of	the
33	Elections Code. Any unexpended funds pursuant	to
34	this provision shall revert to the General Fund.	
35	4. The Director of Finance may augment this item by	ир
36	to \$10,000,000 if the Secretary of State demonstra	tes
37	why the funding is necessary to cover its costs for	
38	statewide special election to be conducted before Ju	
39	30, 2011. The Department of Finance shall prov	
40	notification of the adjustment to the Joint Legislat	ive

AB 108 —4—

1	Budget Committee not more than 10 working days af-
2	ter the date of the approval of the adjustment.
3	V II V
4	SEC. 3. Item 2120-011-0117 is added to Section 2.00 of the
5	Budget Act of 2010, to read:
6	
7	2120-011-0117—For transfer by the Controller, upon order of
8	the Director of Finance, from the Alcoholic Beverage
9	Control Appeals Fund to the General Fund as a loan (500,000
10	Provisions:
11	1. The Director of Finance may transfer up to \$500,000
12	as a loan to the General Fund, which shall be repaid
13	by June 30, 2014. The Director of Finance shall order
14	the repayment of all or a portion of this loan if he or
15	she determines that either of the following circum-
16	stances exists: (a) the fund or account from which the
17	loan was made has a need for the moneys, or (b) there
18	is no longer a need for the moneys in the fund or ac-
19	count that received the loan. This loan shall be repaid
20	with interest calculated at the rate earned by the
21	Pooled Money Investment Account at the time of the
22	transfer.
23	
24	SEC. 4. Item 2240-011-0101 is added to Section 2.00 of the
25	Budget Act of 2010, to read:
26	
27	2240-011-0101—For transfer by the Controller, upon order of
28	the Director of Finance, from the School Facilities Fee
29	Assistance Fund to the General Fund(880,000
30	Provisions:
31	1. The Director of Finance may transfer additional
32	amounts that are determined to be available.
33	GEG 5 1 2010 011 0000 1 11 1 G 3 000 01
34	SEC. 5. Item 2240-011-0929 is added to Section 2.00 of the
35	Budget Act of 2010, to read:
36	22.40.011.0020 E
37	2240-011-0929—For transfer by the Controller, upon order of
38	the Director of Finance, from the Housing Rehabilitation
39	Loan Fund to the General Fund as a loan (18,000,000

—5— **AB 108**

Provisions:

The Director of Finance may transfer up to \$18,000,000 as a loan to the General Fund. The Director of Finance shall order the repayment of all or a portion of this loan if he or she determines that either of the following circumstances exists: (a) the fund or account from which the loan was made has a need for the moneys, or (b) there is no longer a need for the moneys in the fund or account that received the loan. This loan shall be repaid with interest calculated at the rate earned by the Pooled Money Investment Account at the time of the transfer.

12 13 14

1

2

3

4

5

6

7

8

9

10

11

SEC. 6. Item 2660-013-0042 is added to Section 2.00 of the Budget Act of 2010, to read:

15 16 17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

38

39

40

2660-013-0042—For transfer by the Controller, upon order of the Director of Finance, from the State Highway Account, Transportation Tax Fund, to the General Fund as a loan......(147,100,000)

Provisions:

- The Director of Finance may transfer up to 1. \$147,100,000 as a loan to the General Fund, which shall be repaid by June 30, 2014. The Director of Finance shall order the repayment of all or a portion of this loan if he or she determines that either of the following circumstances exists: (a) the fund or account from which the loan was made has a need for the moneys, or (b) there is no longer a need for the moneys in the fund or account that received the loan. This loan shall be repaid with interest calculated at the rate earned by the Pooled Money Investment Account at the time of the transfer.
- The Director of Finance may authorize short-term cashflow loans from the General Fund to the State Highway Account to provide adequate cash for costs funded from that account. The total outstanding loan shall not exceed \$313,000,000 at any point in time. Repayment of these loans shall be made no later than 30 days after the date of enactment of the subsequent

 $AB 108 \qquad \qquad -6 -$

38

39

40

1 annual Budget Act after any loan is made pursuant to 2 this section. No budgetary impact shall result from 3 these loans. 4 5 SEC. 7. Item 3360-011-0382 is added to Section 2.00 of the 6 Budget Act of 2010, to read: 7 8 3360-011-0382—For transfer by the Controller, upon order of 9 the Director of Finance, from the Renewable Resource 10 Trust Fund to the General Fund as a loan..... (20,000,000)11 Provisions: 12 1. The Director of Finance may transfer up to 13 \$20,000,000 as a loan to the General Fund, which 14 shall be repaid by June 30, 2014. The Director of Fi-15 nance shall order the repayment of all or a portion of 16 this loan if he or she determines that either of the fol-17 lowing circumstances exists: (a) the fund or account 18 from which the loan was made has a need for the 19 moneys, or (b) there is no longer a need for the moneys 20 in the fund or account that received the loan. This loan 21 shall be repaid with interest calculated at the rate 22 earned by the Pooled Money Investment Account at 23 the time of the transfer. 24 25 SEC. 8. Item 3500-011-0100 is added to Section 2.00 of the 26 Budget Act of 2010, to read: 27 28 3500-011-0100—For transfer by the Controller, upon order of 29 the Director of Finance, from the California Used Oil Re-30 cycling Fund to the General Fund as a loan..... (2,500,000)31 Provisions: 32 The Director of Finance may transfer up to \$2,500,000 33 as a loan to the General Fund, which shall be repaid 34 by June 30, 2014. The Director of Finance shall order 35 the repayment of all or a portion of this loan if he or 36 she determines that either of the following circum-37 stances exists: (a) the fund or account from which the

loan was made has a need for the moneys, or (b) there

is no longer a need for the moneys in the fund or ac-

count that received the loan. This loan shall be repaid

7 AB 108

1 with interest calculated at the rate earned by the 2 Pooled Money Investment Account at the time of the 3 transfer. 4 5 SEC. 9. Item 3500-013-3065 is added to Section 2.00 of the 6 Budget Act of 2010, to read: 7 8 3500-013-3065—For transfer by the Controller, upon order of 9 the Director of Finance, from the Electronic Waste Recov-10 ery and Recycling Account, Integrated Waste Management 11 Fund, to the General Fund as a loan..... (27,000,000)12 Provisions: 13 The Director of Finance may transfer up to 14 \$27,000,000 as a loan to the General Fund, which 15 shall be repaid by June 30, 2014. The Director of Fi-16 nance shall order the repayment of all or a portion of 17 this loan if he or she determines that either of the fol-18 lowing circumstances exists: (a) the fund or account 19 from which the loan was made has a need for the 20 moneys, or (b) there is no longer a need for the moneys 21 in the fund or account that received the loan. This loan 22 shall be repaid with interest calculated at the rate 23 earned by the Pooled Money Investment Account at 24 the time of the transfer. 25 26 SEC. 10. Item 3600-011-0321 is added to Section 2.00 of the 27 Budget Act of 2010, to read: 28 29 3600-011-0321—For transfer by the Controller, upon order of 30 the Director of Finance, from the Oil Spill Response Trust 31 Fund to the General Fund as a loan..... (40,000,000)32 Provisions: 33 The Director of Finance may transfer up to 34 \$40,000,000 as a loan to the General Fund, which 35 shall be repaid by June 30, 2014. The Director of Fi-36 nance shall order the repayment of all or a portion of 37 this loan if he or she determines that any of the follow-38 ing circumstances exists: (a) the fund or account from

which the loan was made has a need for the moneys,

(b) an event, as described in Section 8670.48 of the

39

40

AB 108 —8—

37

38

39

40

1 Government Code, has occurred and necessary re-2 sponse funds are needed, or (c) there is no longer a 3 need for the moneys in the fund or account that re-4 ceived the loan. This loan shall be repaid with interest 5 calculated at the rate earned by the Pooled Money 6 Investment Account at the time of the transfer. 7 8 SEC. 11. Item 3680-011-0516 is added to Section 2.00 of the 9 Budget Act of 2010, to read: 10 11 3680-011-0516—For transfer by the Controller, upon order of 12 the Director of Finance, from the Harbors and Watercraft 13 Revolving Fund to the General Fund as a loan...... (17,000,000) 14 Provisions: 15 The Director of Finance may transfer up to 16 \$17,000,000 as a loan to the General Fund, which 17 shall be repaid by June 30, 2014. The Director of Fi-18 nance shall order the repayment of all or a portion of 19 this loan if he or she determines that any of the follow-20 ing circumstances exists: (a) the fund or account from 21 which the loan was made has a need for the moneys, 22 or (b) there is no longer a need for the moneys in the 23 fund or account that received the loan. This loan shall 24 be repaid with interest calculated at the rate earned 25 by the Pooled Money Investment Account at the time 26 of the transfer. 27 28 SEC. 12. Item 3790-011-0263 is added to Section 2.00 of the 29 Budget Act of 2010, to read: 30 31 3790-011-0263—For transfer by the Controller, upon order of 32 the Director of Finance, from the Off-Highway Vehicle 33 Trust Fund to the General Fund as a loan...... (21,000,000) 34 Provisions: 35 1. The Director of Finance may transfer up to 36 \$21,000,000 as a loan to the General Fund, which

shall be repaid by June 30, 2014. The Director of Fi-

nance shall order the repayment of all or a portion of

this loan if he or she determines that either of the fol-

lowing circumstances exists: (a) the fund or account

-9- AB 108

1 from which the loan was made has a need for the 2 moneys, or (b) there is no longer a need for the moneys 3 in the fund or account that received the loan. This loan 4 shall be repaid with interest calculated at the rate 5 earned by the Pooled Money Investment Account at 6 the time of the transfer. 7 8 SEC. 13. Item 3940-011-0225 is added to Section 2.00 of the 9 Budget Act of 2010, to read: 10 11 3940-011-0225—For transfer by the Controller, upon order of 12 the Director of Finance, from the Environmental Protection 13 Trust Fund to the General Fund..... (1,175,000)14 Provisions: 15 Notwithstanding Section 25270.11 of the Health and 16 Safety Code, the Director of Finance may transfer 17 \$1,175,000 from the Environmental Protection Trust 18 Fund to the General Fund. 19 SEC. 14. Item 3940-011-3147 is added to Section 2.00 of the 20 21 Budget Act of 2010, to read: 22 23 3940-011-3147—For transfer by the Controller, upon order of 24 the Director of Finance, from the State Water Pollution 25 Control Revolving Fund Small Community Grant Fund to 26 the General Fund as a loan..... (3,000,000)27 Provisions: 28 The Director of Finance may transfer up to \$3,000,000 29 as a loan to the General Fund, which shall be repaid 30 by June 30, 2014. The Director of Finance shall order 31 the repayment of all or a portion of this loan if he or 32 she determines that either of the following circum-33 stances exists: (a) the fund or account from which the 34 loan was made has a need for the moneys, or (b) there 35 is no longer a need for the moneys in the fund or ac-

count that received the loan. This loan shall be repaid

with interest calculated at the rate earned by the

Pooled Money Investment Account at the time of the

36

37

38

39

40

transfer.

AB 108 — 10 —

> SEC. 15. Item 3960-011-0014 is added to Section 2.00 of the Budget Act of 2010, to read:

2 3 4

5

6

10

11

12

13

14

15

16

17

1

3960-011-0014—For transfer by the Controller, upon order of the Director of Finance, from the Hazardous Waste Control Account to the General Fund as a loan..... Provisions:

(13,000,000)

7 8 9

1. The Director of Finance may transfer up to \$13,000,000 as a loan to the General Fund, which shall be repaid by June 30, 2014. The Director of Finance shall order the repayment of all or a portion of this loan if he or she determines that either of the following circumstances exists: (a) the fund or account from which the loan was made has a need for the moneys, or (b) there is no longer a need for the moneys in the fund or account that received the loan. This loan shall be repaid with interest calculated at the rate earned by the Pooled Money Investment Account at the time of the transfer.

18 19 20

21

SEC. 16. Item 3960-011-0018 is added to Section 2.00 of the Budget Act of 2010, to read:

22 23 24

25

26

27

28

29

30

31

32

33

34

35

36

37

38

39

40

3960-011-0018—For transfer by the Controller, upon order of the Director of Finance, from the Site Remediation Account to the General Fund as a loan.....

(1,000,000)

Provisions:

The Director of Finance may transfer up to \$1,000,000 as a loan to the General Fund, which shall be repaid by June 30, 2014. The Director of Finance shall order the repayment of all or a portion of this loan if he or she determines that either of the following circumstances exists: (a) the fund or account from which the loan was made has a need for the moneys, or (b) there is no longer a need for the moneys in the fund or account that received the loan. This loan shall be repaid with interest calculated at the rate earned by the Pooled Money Investment Account at the time of the transfer.

-11- AB 108

SEC. 17. Item 3960-011-0065 is added to Section 2.00 of the Budget Act of 2010, to read:

(1,000,000)

1. The Director of Finance may transfer up to \$1,000,000 as a loan to the General Fund, which shall be repaid by June 30, 2014. The Director of Finance shall order the repayment of all or a portion of this loan if he or she determines that either of the following circumstances exists: (a) the fund or account from which the loan was made has a need for the moneys, or (b) there is no longer a need for the moneys in the fund or account that received the loan. This loan shall be repaid with interest calculated at the rate earned by the Pooled Money Investment Account at the time of the transfer.

SEC. 18. Item 3960-012-1003 is added to Section 2.00 of the Budget Act of 2010, to read:

3960-012-1003—For transfer by the Controller, upon order of the Director of Finance, from the Cleanup Loans and Environmental Assistance to Neighborhoods Account to the General Fund as a loan.....

(500,000)

Provisions:

1. The Director of Finance may transfer up to \$500,000 as a loan to the General Fund, which shall be repaid by June 30, 2014. The Director of Finance shall order the repayment of all or a portion of this loan if he or she determines that either of the following circumstances exists: (a) the fund or account from which the loan was made has a need for the moneys, or (b) there is no longer a need for the moneys in the fund or account that received the loan. This loan shall be repaid with interest calculated at the rate earned by the Pooled Money Investment Account at the time of the transfer.

AB 108 — 12 —

1			
2	SEC. 19. Item 5180-011-0131 is added to Section 2.00 of the		
3	Budget Act of 2010, to read:		
4			
5	5180-011-0131—For transfer by the Controller, upon order of		
6	the Director of Finance, from the Foster Family Home and		
7	Small Family Home Insurance Fund to the General		
8	Fund(3,000,000)		
9 10	SEC. 20. Item 8660-011-0470 is added to Section 2.00 of the		
11	Budget Act of 2010, to read:		
12	Buaget Act of 2010, to redu.		
13	8660-011-0470—For transfer by the Controller, upon order		
14	of the Director of Finance, from the California High-		
15	Cost Fund-B Administrative Committee Fund to the		
16	General Fund as a loan(100,000,000)		
17	Provisions:		
18	1. The Director of Finance may transfer up to		
19	\$100,000,000 as a loan to the General Fund, which		
20	shall be repaid by June 30, 2014. The Director of Fi-		
21	nance shall order the repayment of all or a portion of		
22	this loan if he or she determines that either of the fol-		
23	lowing circumstances exists: (a) the fund or account		
24	from which the loan was made has a need for the		
25	moneys, or (b) there is no longer a need for the moneys		
26	in the fund or account that received the loan. This loan		
27	shall be repaid with interest calculated at the rate		
28	earned by the Pooled Money Investment Account at		
29	the time of the transfer.		
30			
31	SEC. 21. Item 8660-011-3141 is added to Section 2.00 of the		
32	Budget Act of 2010, to read:		
33 34	9660 011 2141 For transfer by the Controller areas and a of		
3 4 35	8660-011-3141—For transfer by the Controller, upon order of the Director of Finance, from the California Advanced		
35 36	Services Fund to the General Fund as a loan (75,000,000)		
30 37	Provisions: (75,000,000)		
38	1. The Director of Finance may transfer up to		
39	\$75,000,000 as a loan to the General Fund, which		
<i>4</i> 0	shall be repaid by June 30, 2014. The Director of Fi-		

—13— AB 108

nance shall order the repayment of all or a portion of this loan if he or she determines that either of the following circumstances exists: (a) the fund or account from which the loan was made has a need for the moneys, or (b) there is no longer a need for the moneys in the fund or account that received the loan. This loan shall be repaid with interest calculated at the rate earned by the Pooled Money Investment Account at the time of the transfer.

SEC. 22. Item 8660-012-0462 is added to Section 2.00 of the Budget Act of 2010, to read:

8660-012-0462—For transfer by the Controller, upon order of the Director of Finance, from the Public Utilities Commission Utilities Reimbursement Account to the General Fund as a loan.....

(25,000,000)

Provisions:

1. The Director of Finance may transfer up to \$25,000,000 as a loan to the General Fund, which shall be repaid by June 30, 2014. The Director of Finance shall order the repayment of all or a portion of this loan if he or she determines that either of the following circumstances exists: (a) the fund or account from which the loan was made has a need for the moneys, or (b) there is no longer a need for the moneys in the fund or account that received the loan. This loan shall be repaid with interest calculated at the rate earned by the Pooled Money Investment Account at the time of the transfer.

SEC. 23. Section 39.00 is added to the Budget Act of 2010 (Chapter 712 of the Statutes of 2010), to read:

Sec. 39.00. The Legislature hereby finds and declares that the following bills of the 2011–12 Regular Session are other bills providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution: AB 93, AB 94, AB 95, AB 96, AB 97, AB 98, AB 99, AB 100, AB 101, AB 102, AB 103, AB 104, AB 105, AB 106, AB 107, AB 108, AB 109, AB 110, AB 111, AB 112, AB 113,

AB 108 — 14 —

- 1 AB 114, AB 115, AB 116, AB 117, AB 118, AB 119, AB 120, AB
- 2 121, AB 122, SB 70, SB 71, SB 72, SB 73, SB 74, SB 75, SB 76,
- 3 SB 77, SB 78, SB 79, SB 80, SB 81, SB 82, SB 83, SB 84, SB 85,
- 4 SB 86, SB 87, SB 89, SB 90, SB 91, SB 92, SB 93, SB 94, SB 95,
- 5 SB 96, SB 97, SB 98, and SB 99.
- 6 SEC. 24. This act is a Budget Bill within the meaning of 7 subdivision (e) of Section 12 of Article IV of the California 8 Constitution and shall take effect immediately.
- 9 SEC. 25. This act is an urgency statute necessary for the 10 immediate preservation of the public peace, health, or safety within 11 the meaning of Article IV of the Constitution and shall go into 12 immediate effect. The facts constituting the necessity are:
- In order to make necessary changes to the Budget Act of 2010 at the earliest possible time in light of the fiscal condition of the
- 15 state, it is necessary that this act take effect immediately.